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CLERK, US DISTRICT COURT
WESTERN DISTRICT OF TEXAS

SEAL ⁸⁴ Fm
INDICTMENT ^{DEPUTY}

EP-08-CR-_____

[VIOLATIONS:

(Count 1) - Title 18 U.S.C. § 371 Conspiracy
(Count 2) - Title 18 U.S.C. § 666 - Theft or
Bribery Concerning Programs Receiving
Federal Funds.]

EP 08 CR 1698

COUNT ONE

Beginning on or about June 1, 2003, and continuing through, and including on or about

ROBERT EDWARD JONES.

1. being an agent of an organization, to embezzle, steal, obtain by fraud, and otherwise without authority knowingly convert to the use of a person other than the rightful owner and intentionally misapply property valued at \$5,000.00 or more that was owned by and under the control of such organization, that is, National Center for the Employment of the Disabled, (NCED,) a not-for-profit corporation that received in a one year period benefits in excess of \$10,000.00 under a Federal program involving a grant, contract, guarantee and other form

of federal assistance, in violation of Title 18 United States Code Section 666(a)(1)(A);
all in violation of Title 18 United States Code Section 371.

OVERT ACTS

In furtherance of the conspiracy, and to effect the objects thereof, at least one of the co-conspirators herein committed one or more of the following overt acts, among others, in the Western District of Texas and elsewhere:

1. On or about June 1, 2003, an attorney licensed in the State of Texas prepared and caused to be prepared a Stock Purchase Agreement, for JFT Air LLC (JFT Air,) a Texas limited liability company, wholly owned by JFT, a Texas family trust acting by and through its Trustee, the defendant, **ROBERT EDWARD JONES**, for JFT Air and JFT to acquire ownership interests in ATI Jet, Inc. (ATI Jet,) a Nevada Corporation, and ATI Jet Sales, LLC, (Jet Sales,) a Nevada Limited liability company.
2. On or about June 12, 2003, **ROBERT EDWARD JONES** caused to be issued from NCED, a not-for-profit organization, a check, in the amount of \$1,000,000.00, payable to "RE Jones, Trustee, JFT Management and SNB." **ROBERT EDWARD JONES** signed the check on behalf of NCED.
3. On or about June 12, 2003, **ROBERT EDWARD JONES**, individually and on behalf of JFT, deposited and caused to be deposited the aforementioned check in the amount of \$1,000,000.00 at SNB, a financial institution doing business in El Paso, Texas.
4. On or about June 12, 2003, the defendant, **ROBERT EDWARD JONES**, caused SNB to create and issue a Time Certificate Of Deposit (CD), in the amount of \$1,000,000.00, in the account name of JFT, with **ROBERT EDWARD JONES** as the Trustee.
5. On or about June 12, 2003, **ROBERT EDWARD JONES** attended the closing and signing of the Stock Purchase Agreement. **ROBERT EDWARD JONES** signed the Stock Purchase Agreement on behalf of JFT Air and JFT.
6. On or about June 12, 2003, in furtherance of the Stock Purchase Agreement, **ROBERT EDWARD JONES**, on behalf of JFT Air and JFT, assigned and granted to SNB a security interest in the CD in the amount of \$1,000,000.00
7. On or about June 12, 2004, **ROBERT EDWARD JONES**, on behalf of JFT Air and JFT, renewed the \$1,000,000.00 at SNB.

8. On or about October 18, 2004, an attorney licensed in the State of Texas prepared and caused to be prepared a Discussion Draft of the Minutes of a Meeting of the Executive Committee of the Board of Directors of NCED, scheduled to convene on October 29, 2004.
9. On or about October 29, 2004, an attorney licensed in the State of Texas attended the Executive Committee of the Board of Directors of NCED meeting.
10. On or about October 29, 2004, **ROBERT EDWARD JONES** attended the Executive Committee of the Board of Directors of NCED meeting.
11. On or about October 29, 2004, following the conclusion of the Executive Committee of the Board of Directors of NCED meeting, an attorney licensed in the State of Texas took possession of a recorder and the recording contained therein used by the NCED Board of Director's Secretary.
12. On or about October 29, 2004, an attorney licensed in the State of Texas prepared and caused to be prepared the minutes of the Executive Committee of the Board of Directors of NCED meeting held on October 29, 2004.

COUNT TWO

(Title 18 U.S.C. §§ 2 and 666)

The Grand Jury re-alleges and incorporates by reference as if fully set out herein the Overt Acts alleged in Count One.

On or about June 12, 2003, in the Western District of Texas and elsewhere, the defendant,

ROBERT EDWARD JONES,

being an agent of NCED, a not-for-profit organization, which organization received, in the one year period beginning January 1, 2003 through December 31, 2003, benefits in excess of \$10,000 in accordance with the Javits-Wagner-O'Day Act, "JWOD" a Federal program involving a grant, contract, subsidiary, or other form of Federal assistance, embezzled, stole, obtained by fraud, and otherwise without authority knowingly converted to the use of a person other than the rightful owner and intentionally misapplied property worth at least \$5,000 owned by, under the care, custody, and

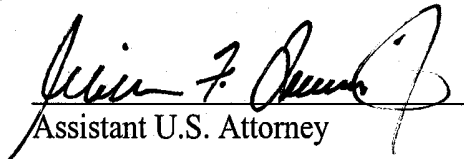
control of NCED, that is, One Million and no/100 Dollars (\$1,000,000.00) all in violation of Title 18, United States Code, Section 666(a)(1).

A TRUE BILL.

FOREPERSON OF THE GRAND JURY

JOHNNY SUTTON
UNITED STATES ATTORNEY

BY:


Assistant U.S. Attorney